

TRI-CITY REGIONAL SANITARY DISTRICT

MEETING MINUTES

September 4, 2018

President Zache called the meeting to order at 5:15 p.m.

PRESENT:, M. Buzan, R. Bradford, J. Chism, M.A. Moreno, R. Zache, Legal Counsel, W. Clemmens, Legal Assistant, R. Hadley, M. Krebs, P.E., PACE, F. Rosenfeld, Bond Counsel, L. Valdez, Financial Advisor
Also: J. Hayes, State Director, USDA-RD, R. Lanford, Community Specialist, USDA-RD, J. Garrett, Gila Co. Sanitarian, Rochelle Lacapa, of Congressman O'Halleran's office

Public – Joanne Zache, David Abbott, Arizona SilverBelt, M. Gonzalez, H. Farester, J. Bradford, F. Barcon, B. Marshall, J. Yanez, A. Gameros, G. Miller, W. Bennett, M. Gonzalez, A. Petty, J. Petty, T. Baack, P. Jepson, C. Tower, J. Labynski, D. Fogle, W. Fogle, Anthony Davis, Sherri Davis, B. Bradford, C. Guerra, J. Bradford, D. Farester, J. Stanneart, T. Werner, J. Twohey, J. Medlin, J. Saldana, K. Droste, C.C. Rogers, M. Rogers, K. Listiak, S. Listiak, C. Farester, T. Castaneda, J. Williams, S. Saunders, E. Balch, B. Balch, E. Underwood, R. Shriner, Jr., R. Baeza, J. Rogers, S. Palmer, R. Webb, D.&D. Osteros, plus 4 additional individuals whose names were illegible.

Item # 1 **Minutes of August 06 and August 23, 2018** – Approved by motion of M. Buzan, seconded by J. Chism

Item # 2 **Treasurer's report – Balance** in the District Account as of August 31 - \$245,862.25. Report accepted by motion of M.A. Moreno, seconded by M. Buzan

Item # 3 **Update on the status of funding for the project** - Presentation by J. Hayes
Mr. Hayes shared the methodology behind the Grant/Loan award recently approved for the Tri-City Regional Sanitary District. He noted that funding is dependent on several factors, including the local area demographics, income levels, comparable communities and the availability of funds at the Federal level. The engineering report is analyzed for costs and the elements of the project and he stated that the cost of \$92 million was NEVER estimated and had no idea where that number came from. In response to the comment that the District should utilize the Miami Wastewater Treatment Plant, he pointed out that the cost comparisons between using that system and the District having its own plant were very nearly equal. He also pointed out that the cost of the system is primarily in collection lines, not the treatment plant. In addition, he pointed out that the Grant component of the award includes funds to bring lines from the home to the street/alley, de-commissioning cess pools or septic tanks and restoring landscape on the property. He also noted that USDA-RD is looking into the possibility of bringing in a completely objective consultant to look at the possibility of regionalization of Wastewater Treatment in the area, but that in no way stops the Tri-City Regional Sanitary District from going forward with Phase I of the project.

Item # 4 **Report on** meeting of August 21 at the offices of F. Rosenfeld regarding the Letter of Conditions from USDA-RD – The meeting was convened to review the Letter of Conditions line by line to determine the obligations of the District and its ability to conform. Representatives of the Water Infrastructure Authority of Arizona also participated by phone relative to Interim Loan possibilities. None available. USDA-RD Representative Lanford responded by phone and clarified a number of issues the group identified and agreed to several minor edits to the document.

Item # 5 Update on the status of the TRSD Wastewater collection and treatment project based upon the issuance of the Letter Of Conditions. Next steps to move forward and possible timing.
District Bond Attorney provided a brief summary of the Resolution of Intention and the Assessment District Process and noted that there will be a number of Public Hearings/Meetings to further explain the process and time for residents to become fully informed with respect to the layout of the system and their obligation.

Item # 6. Discussion of the schedule for the preparation of the PER for Phase II of the TRSD collection and treatment project.
Report of meeting of August 29 with J. Hayes of USDA-RD. M. Krebs met with USDA-RD regarding the PER for Phases II and III in order to expedite going forward with the remainder of the project. M. Krebs was encouraged to begin the process.

Item # 7 Contact with D. Patton of RCAC re scheduling future work/study meetings to be set in support of public information meetings concerning the TRSD project – M. Krebs will be contacting D. Patten regarding her availability to facilitate a number of public meetings.

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- Item # 8 Report on meeting of August 13, 2018 at the CAG EPC office to review the draft 208 Plan Amendment submitted for review by CAG – Draft plan had been submitted to CAG. M.Krebs explained the genesis of Section 208 of the Clean Water Act. The second draft is being submitted to CAG for review. The Globe City Manager requested the engineer remove those entities within the City of Globe from the 208 Plan Amendment.
- Item # 9 Report on meeting with BHP representatives on August 13, 2018. Status re Bechtel Tract wastewater treatment project. Location of Wastewater treatment plant. Status of draft proposed agreement Setting forth the major terms for review by BHP – BHP has received the L.O.C. and a draft of a possible agreement. M.Krebs will follow-up with B.Musselwhite of BHP.
- Item # 10 Response to questions submitted at prior meetings and via e-mail regarding the project:- Most of the questions that had been submitted were answered during the presentations by J. Hayes, F.Rosenfeld and M.Krebs. President Zache reminded everyone that a series of public meetings would be scheduled as the process goes forward and everyone is invited to attend any and all Board meetings.
- Item # 11 Response to media reports – Will be providing public information as the process develops.
- Item # 12 **Payment of Bills:**
Attorney Clemmens submitted a bill in the amount of \$9,916.17 for services rendered and expense incurred (receipts attached) for the month of August. Approved for payment by motion of M.A.Moreno, seconded by M.Buzan..
T.Thayer submitted a bill in the amount of \$62.50 for Website services for August, 2018. Approved for payment by motion of M.Buzan, seconded by M.A.Moreno.
Samuel Accounting submitted a bill in the amount of \$95.00. Approved for payment by motion of M.Buzan, seconded M.A.Moreno.
Samuel Accounting submitted a bill in the amount of \$145 .60. Approved for payment by motion of M.Buzan, seconded by M.A.Moreno.
The AZ SilverBelt submitted a bill in the amount of \$1,106.90 for legal publications. Approved for payment by J.Chism, seconded by M.Buzan.
M.A.Moreno submitted a request for mileage reimbursement in the amount of \$101.83 for the meeting at F.Rosenfeld's office on August 21. Approved for payment by motion of M.Buzan, seconded by J.Chism.
- Item # 13 Update list of addressees for e-mail notices of meetings and agendas:
- Item # 14 **Next Meeting- Wednesday, Oct. 10, 2018 at 5:15 pm**
- Item # 15 Call to the Public – No further comments
- Item # 16 Regular Meeting adjourned by motion of M.A.Moreno, seconded by M.Buzan and carried at 7:18 p.m.